

***What Every Member of the  
Trade Community Should Know About:***

# ARTICLES OF WAX, ARTIFICIAL STONE AND JEWELRY

Under the Harmonized Tariff Schedule



An Advanced Level  
Informed Compliance Publication of the  
U.S. Customs Service

August 1997

## PREFACE

On December 8, 1993, Title VI of the North American Free Trade Agreement Implementation Act (Pub. L. 103-182, 107 Stat. 2057), which is also known as the Customs Modernization Act or “Mod Act,” became effective. These provisions amended many sections of the Tariff Act of 1930 and related laws. Two new concepts which emerge from the Mod Act are “*informed compliance*” and “*shared responsibility*.” These concepts are premised on the idea that in order to maximize voluntary compliance with Customs laws and regulations, the trade community needs to be clearly and completely informed of its legal obligations. Accordingly, the Mod Act imposes a greater obligation on Customs to provide the public with improved information concerning the trade community's responsibilities and rights under the Customs and related laws. In addition, both the trade and Customs share responsibility in carrying out import requirements. For example, under section 484 of the Tariff Act, as amended, (19 U.S.C. §1484) the importer of record is responsible for using reasonable care to enter, classify and value imported merchandise, and provide any other information necessary to enable Customs to properly assess duties, collect accurate statistics and determine whether any other applicable legal requirement is met. The Customs Service is then responsible for fixing the final classification and value of the merchandise. The failure of an importer of record to exercise reasonable care may lead to delay in the release of merchandise or the imposition of penalties.

This office has been given a major role in meeting Customs informed compliance responsibilities. In order to provide information to the public, Customs intends to issue a series of informed compliance publications, and possibly CD-ROMs and videos, on topics such as value, classification, entry procedures, determination of country of origin, marking requirements, intellectual property rights, record keeping, drawback, penalties and liquidated damages.

The National Commodity Specialist Division of the Office of Regulations and Rulings has prepared this publication on Articles of Wax, Artificial Stone and Jewelry, as part of a series of informed compliance publications regarding the classification of imported merchandise. It is hoped that this material, together with seminars and increased access to Customs rulings, will help the trade community in improving voluntary compliance with the Customs laws.

The information provided in this publication is for general information purposes only. Recognizing that many complicated factors may be involved in customs valuation issues, an importer may wish to obtain a ruling under Customs Regulations, 19 C.F.R. Part 177, or obtain advice from an expert (such as a licensed Customs Broker, attorney or consultant) who specializes in Customs matters. Reliance solely on the general information in this pamphlet may not be considered reasonable care.

Comments and suggestions are welcomed, and should be addressed to the Assistant Commissioner at the Office of Regulations and Rulings, U.S. Customs Service, 1301 Constitution Avenue, NW (Franklin Ct. Bldg), Washington, DC 20229.

Stuart P. Seidel  
Assistant Commissioner  
Office of Regulations and Rulings

# Table of Contents

HEADING 9602 .....	<a href="#">1</a>
HEADING 6810 .....	<a href="#">1</a>
CHAPTER 71 .....	<a href="#">2</a>

## HEADING 9602

Heading 9602 of the Harmonized Tariff Schedule of the United States (HTS) provides for worked vegetable or mineral carving material and articles of these materials; molded or carved articles of wax, of stearin, of natural gums or resins, of molded pastes, and other molded or carved articles, not elsewhere specified or included; worked, unhardened gelatin (except gelatin of heading 3503) and articles of unhardened gelatin.

**By definition, this provision does not include articles of cement, of concrete or articles of artificial stone of heading 6810; articles of jewelry and parts thereof of precious metal or of metal clad with precious metal of heading 7113 or imitation jewelry of heading 7117.**

Articles of imitation jewelry are specifically excluded under the Explanatory Notes. EN 96.01 and 96.02 (pp 1723 and 1726) noted.

Merchandise classified in heading 9602 generally consists of vegetable or mineral carvings such as small ornaments (e.g., statuettes) ; small boxes and caskets; and molded and carved articles of wax such as artificial honeycombs, molded shapes for electroplating, imitation wax flowers and fruit other than those of heading 6702, wax busts, heads, figures and statuettes, etc.

**This merchandise may be composed partly of precious metal or metal clad with precious metal, or of natural or cultured pearls or precious or semi-precious stones (natural, synthetic or reconstructed) , only when these components are minor constituents (e.g., monograms, initials, ferrules, rims, etc.). When the precious or semiprecious metal, pearls or precious or semi-precious stones constitute more than minor constituents, the merchandise must be classified in Chapter 71, not heading 9602.**

## HEADING 6810

Worked building stone is classifiable in heading 6802 assuming the stone is natural. However, **artificial stone is classifiable in heading 6810. Artificial stone is formed when pieces of natural stone or crushed or powdered natural stone (e.g., limestone, marble, etc.) is agglomerated (bound) with plastics, cement, lime or other binders.** See the Explanatory Notes to headings 6810 and 6802 (pp 989 and 982). In artificial (agglomerated) stone, the binding material and the stone run through the body of the item. (In addition to artificial stone, heading 6810 also covers articles of concrete and articles of cement.)

In certain plastics products, stone material may merely serve as filler. This type of article (which should not be confused with agglomerated stone) is classifiable as plastics in Chapter 39 even though the plastics material and stone material may be blended together through the body of the product.

While agglomerated **stone** is covered by Heading 6810, when a material other than stone is blended with another substance, heading 6810 will not apply. For example, if a mineral substance other than stone or a synthetic chemical is blended with plastics material, we must make a determination regarding the component which represents the essential character of this product. Often this component will be the plastics material (based on the larger percentage of plastics present in the product) and the merchandise will be classified in Chapter 39. Heading 6810 will not apply if there is no stone in the product. Plastics products classifiable in Chapter 39 should not be entered in heading 6810.

The stone material within an artificial stone item classifiable in heading 6810 would be in the form of pieces, powder, granules or chippings of stones covered by Chapter 25 of the HTS (marble, limestone, granite, etc.). **Clearly an article of precious or semiprecious stone would be precluded from classification in Chapter 68.** Notes 1(a) to Chapter 71 and 1(d) to Chapter 68 indicate that Chapter 71 takes precedence over Chapter 68, and an article of precious or semiprecious stone would be covered by Chapter 71. The Annex to the Chapter 71 Explanatory Notes lists the items regarded as precious or semiprecious stones.

**Articles of precious or semiprecious stone should not be entered in heading 6802 (which covers worked building stone and articles thereof), heading 6810 (which covers articles of artificial stone, as well as articles of cement or concrete), heading 6815 (which covers other worked mineral substances) or any other provision of Chapter 68.**

**Articles of worked vegetable or mineral carving material, molded or other carved articles of wax and other molded or carved articles covered by heading 9602 should not be confused with the articles of artificial stone classifiable in heading 6810. Items of agglomerated stone classifiable in heading 6810 should not be entered in heading 9602; items classifiable in heading 9602 should not be entered in heading 6810.**

The classification of floor and wall tiles of agglomerated stone is dependent on the precise type of binding material used in the products. **Subheading 6810.19.12 provides for floor and wall tiles of stone agglomerated with binders other than cement (e.g., plastics). Floor and wall tiles of stone agglomerated with cement are classifiable in subheading 6810.19.14.**

## **CHAPTER 71**

For the purposes of heading 7113, the expression “articles of jewelry” means:

(a) any small objects of personal adornment, for example, rings, bracelets, necklaces, brooches, earrings, watch chains, fobs, pendants, tie pins, cuff links, dress studs, religious or other medals and insignia.

(b) articles of personal use of a kind normally carried in the pocket in the handbag or on the person such as cigarette cases, powder boxes, chain purses or pill boxes.

For the purposes of heading 7117, the expression “imitation jewelry” means articles of (a) above but not including any articles incorporating natural or cultured pearls, precious or semiprecious stones or precious metal or metal clad with precious metal. Precious metal includes gold, silver or platinum. Heading 7117 includes imitation jewelry of any material other than precious metal or precious or semiprecious stones such as base metal, plastic, wood, etc.

See Note (9) to Chapter 71 (p 71-2).

## **THE IMPORTER’S RESPONSIBILITIES**

**Since the enactment of the Customs Modernization Act in December 1993, the legal burden of correctly classifying merchandise has shifted from the Customs Service to the importer. It is the importer’s responsibility to determine the precise composition of the merchandise prior to importation and entry. He or she should obtain this information from the foreign supplier.**

The importer must not confuse the articles of vegetable or mineral carving material described in heading 9602 with the articles of agglomerated stone covered by heading 6810. Articles of precious or semiprecious stone are classifiable in Chapter 71 and should never be entered in Chapter 68 or heading 9602.

**Invoices must provide a precise description of the product’s composition.** The precise geological name of any stone product (including any article of precious or semiprecious stone) should be indicated as well as the exact manner in which the product was worked. If a product is agglomerated with a binding material, the invoice should indicate this fact and identify the binding material.

If a product consists of worked vegetable or mineral carving material, wax, stearin, etc., the invoice should provide an exact description of the article’s composition.

If a product has already been imported and the importer has questions regarding the classification, he should seek advice from the commodity specialist team at the port of entry. **Prior to the importation of the merchandise, the importer may request a ruling on the classification of the product from the National Commodity Specialist Division in New York. A ruling request should include information on the precise composition of the merchandise and the exact manner in which it is worked, as well as a sample of the product.**

## ADDITIONAL INFORMATION

### Customs Electronic Bulletin Board

The Customs Electronic Bulletin Board (CEBB) is an automated system which provides the entire trade community with current, relevant information regarding Customs operations and items of special interest. It was established as another effort to promote the Customs Service as “trade friendly” within the importing and exporting community. The CEBB posts timely information including proposed regulations, news releases, Customs publications and notices, etc which may be “downloaded” to your own PC. The Customs Service does not charge the public to use the CEBB. You only pay telephone charges. To use the CEBB, you must have a personal computer with a modem. The CEBB supports modem speeds from 2400 to 28,800 baud. Set up your terminal as ANSI, set databits to 8, set parity to N and stopbits to 1. Dial (703) 440-6155 and log on with your name and choose a password. After a few questions, you are set to get up-to-date information from Customs. If you have any questions about the CEBB, call (703) 440-6236.

### The Internet

The Customs home page on the Internet’s World Wide Web --which began public operation on August 1, 1996-- will also provide the entire trade community with current, relevant information regarding Customs operations and items of special interest. It was established as another effort to promote the Customs Service as “trade friendly” within the importing and exporting community. The home page will post timely information including proposed and final regulations, rulings, news releases, Customs publications and notices, *etc.*, which may be printed or “downloaded” to your own PC. The Customs Service does not charge the public for this service, although you will need Internet access to use it. The Internet address for Customs home page is <http://www.customs.ustreas.gov>.

### Customs Regulations

The current edition of *Customs Regulations of the United States*, in loose-leaf format, is available by subscription from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402. The bound 1996 Edition of Title 19, *Code of Federal Regulations*, which incorporates all changes to the *Customs Regulations* from April, 1995 through March, 1996 is also available for sale from the same address. All proposed and final regulations are published in the *Federal Register* which is published daily by the Office of the Federal Register, National Archives and Records Administration, and distributed by the Superintendent of Documents. Information on on-line access to the *Federal Register* may be obtained by calling (202) 512-1530 between 7 a.m. and 5 p.m. Eastern time. These notices are also published in the weekly *Customs Bulletin* described below.

### Customs Bulletin

The *Customs Bulletin and Decisions* (“*Customs Bulletin*”) is a weekly publication which contains decisions, rulings, regulatory proposals, notices and other information of interest to the trade

community. It also contains decisions issued by the U. S. Court of International Trade and Customs related decisions of the U. S. Court of Appeals for the Federal Circuit. Bound volumes are issued annually. The Customs Bulletin is available for sale from the Superintendent of Documents.

## **Video Tapes**

The U. S. Customs Service has prepared a two hour video tape in VHS format to assist Customs officers and members of the public in understanding the new ***Rules of Origin for Textiles and Apparel Products*** which became effective on July 1, 1996. Copies of this tape are available from many trade organizations, customs brokers, consultants and law firms. The tape may also be purchased for \$20.00 (U.S. funds) directly from the Customs Service. If you require further information, or would like to purchase one or more tapes, please forward your written request to: U.S. Customs Service, Office of Regulations and Rulings, 1301 Constitution Avenue, NW, Franklin Court, Washington, DC 20229, Attn: Operational Oversight Division. Orders must be accompanied by a check or money order drawn on a U.S. financial institution and made payable to U.S. Customs Service.

On Tuesday, March 18, 1997, Customs started filling orders for its video tape entitled "Customs Compliance: Why You Should Care." This 30 minute tape is divided into two parts. Part I, almost 18 minutes in length, is designed to provide senior executives and others in importing and exporting companies with an overview of some significant features of the Customs "Modernization Act" and some major reasons for adopting new strategies for minimizing legal exposure under this Act. Part II is intended primarily for compliance officers, legal departments and company officers involved in importing and exporting. This latter Part, approximately 12 minutes in length, explains why Customs and the trade can benefit from sharing responsibilities under Customs laws and it provides viewers with some legal detail relating to record keeping, potential penalties for non-compliance, and Customs Prior Disclosure program.

Part I features Customs Commissioner George Weise, Assistant Commissioner for Regulations and Rulings Stuart Seidel, and Motorola's Vice President and Director of Corporate Compliance, Mr. Jack Bradshaw. Assistant Commissioner Seidel is the only speaker in Part II.

The tape is priced at \$15.00 including postage. New orders, complete with payment in the form of a check or money order, should be addressed to the U.S. Customs Service, Office of Regulations and Rulings, Attention: Operational Oversight Division, 1301 Constitution Avenue, NW (Franklin Court), Washington, D.C. 20229.



## **Informed Compliance Publications**

The U. S. Customs Service has also prepared other Informed Compliance publications in the *What Every Member of the Trade Community Should Know About*: series, which are available from the Customs Electronic Bulletin Board and the Customs Home Page (see above). As of the date of this publication, the following booklets were available:

- # Fibers & Yarns
- # Buying & Selling Commissions
- # NAFTA for Textiles & Textile Articles
- # Raw Cotton
- # Customs Valuation
- # Textile & Apparel Rules of Origin
- # Mushrooms
- # Marble
- # Peanuts
- # Caviar
- # Bona Fide Sales & Sales for Exportation
- # Caviar
- # Granite
- # Internal Combustion Piston Engines
- # Vehicles, Parts and Accessories
- # Articles of Wax, Artificial Stone and Jewelry

Check the Customs Electronic Bulletin Board and the Customs Home Page for more recent publications.

## **Other Value Publications**

*Customs Valuation under the Trade Agreements Act of 1979* is a 96-page book containing a detailed narrative description of the customs valuation system, the customs valuation title of the Trade Agreements Act (§402 of the Tariff Act of 1930, as amended by the Trade Agreements Act of 1979 (19 U.S.C. §1401a)), the Statement of Administrative Action which was sent to the U.S. Congress in conjunction with the TAA, regulations (19 C.F.R. §§152.000-152.108) implementing the valuation system (a few sections of the regulations have been amended subsequent to the publication of the book) and questions and answers concerning the valuation system. A copy may be obtained from the U.S. Customs Service, Office of Regulations and Rulings, Value Branch, 1301 Constitution Avenue, N.W., Franklin Court Building, Washington, D.C. 20229.

*Customs Valuation Encyclopedia* (with updates) is comprised of relevant statutory provisions, Customs Regulations implementing the statute, portions of the Customs Valuation Code, judicial

precedent, and administrative rulings involving application of valuation law. A copy may be purchased for a nominal charge from the Superintendent of Documents, Government Printing Office, P.O. Box 371954, Pittsburgh, Pennsylvania 15250-7054.

Additional information may be obtained from Customs ports of entry. Please consult your telephone directory for a Customs office near you. The listing will be found under U.S. Government, Treasury Department.

The information provided in this publication is for general information purposes only. Recognizing that many complicated factors may be involved in customs classification issues, an importer may wish to obtain a ruling under Customs Regulations, 19 C.F.R. Part 177, or obtain advice from an expert (such as a licensed Customs Broker, attorney or consultant) who specializes in Customs matters. Reliance solely on the general information in this pamphlet may not be considered reasonable care.